

K-82

(Rev. 9/09)

KANSAS STORAGE AND BLENDING EQUIPMENT CREDIT

For the taxable year beginning _____, 20____; ending _____, 20____.

Name of taxpayer (as shown on return)	Social Security Number or Employer ID Number (EIN)
If partner, shareholder or member, enter name of partnership, S corporation, LLC or LLP	Employer ID Number (EIN)

PART A – COMPUTATION OF CREDIT

Complete PART A only in the year the storage and blending equipment is placed into service.

1. Enter the total amount of the "qualified investment." Do not enter more than \$10,000,000. 1. _____
2. Authorized credit percentage. 2. 10%
3. Credit limit on the "qualified investment" of \$10,000,000 or less. Multiply line 1 by line 2. 3. _____
4. Enter the total amount of the "qualified investment" that exceeds \$10,000,000. 4. _____
5. Authorized credit percentage. 5. 5%
6. Credit limit on the "qualified investment" that exceeds \$10,000,000. Multiply line 4 by line 5. 6. _____
7. Credit limit on the total "qualified investment". Add line 3 and line 6. 7. _____
8. Authorized credit percentage allowed to be claimed each tax year. 8. 10%
9. Total credit allowed to be claimed in the year the storage & blending equipment is placed into service. Multiply line 7 by line 8. 9. _____
10. Proportionate share percentage (see instructions). 10. _____
11. Your share of the credit that may be claimed this tax year and the next subsequent nine (9) tax years. Multiply line 9 by line 10. 11. _____

PART B – COMPUTATION OF TOTAL CREDIT CLAIMED THIS YEAR

Indicate, by checking the appropriate box, which year of the ten (10) equal, annual installments for which this credit is being claimed:

1st year 2nd year 3rd year 4th year 5th year 6th year 7th year 8th year 9th year 10th year

If the credit is being claimed for the "carry-over" 11th, 12th, 13th or 14th tax years, skip line 12 and make an entry on line 13.

12. Enter the amount from line 11, Schedule K-82 from the first year in which this credit was claimed. 12. _____
13. Enter the amount of available carry forward credit from the prior year's Schedule K-82. 13. _____
- 14a. Total credit available this tax year. Add lines 12 and 13 and enter result: _____.
Multiply the amount on 14a by 90% and enter the result on line 14b. 14b. _____
- 15a. Amount of your Kansas tax liability for this tax year to be applied against this credit: _____.
Multiply the amount on line 15a by 90% and enter the result on line 15b. 15b. _____
16. Amount of credit allowable this tax year. Enter the lesser of lines 14b or 15b.
Enter this amount on the appropriate line of Form K-40, Form K-41 or Form K-120. 16. _____

If line 15a is less than line 14a, complete PART C.

PART C – COMPUTATION OF CARRY FORWARD CREDIT

17. Amount of credit to carry forward to next year's Schedule K-82. Subtract line 15a from line 14a.
Enter this amount on line 13 of next year's Schedule K-82. 17. _____

INSTRUCTIONS FOR SCHEDULE K-82

GENERAL INFORMATION

K.S.A. 79-32,251 provides a tax credit against the Kansas income tax liability of a taxpayer who makes a "qualified investment" in "storage and blending equipment" installed at a fuel terminal, refinery or biofuel production plant for tax years beginning after December 31, 2006 and before January 1, 2012. The credit is 10% of the taxpayer's "qualified investment" on the first \$10,000,000 invested, and 5% of the taxpayer's "qualified investment" that exceeds \$10,000,000. The credit will be taken in ten (10) equal, annual installments, beginning with the year in which the taxpayer places into service the storage and blending equipment.

Before making a qualified investment, a taxpayer shall apply to the Kansas Secretary of Commerce to enter into an agreement for a tax credit. After receipt of such application, the secretary may enter into an agreement with the applicant for a storage and blending equipment credit if the secretary determines that the taxpayer's proposed investment satisfies the requirements.

If the credit allowed exceeds the investor's tax liability in any one taxable year, the amount of the credit that exceeds the tax liability may be carried forward until the total amount of the credit is used, except that no such tax credit shall be carried over for deduction after the 14th taxable year after the taxable year in which the first annual installment is allowed.

Expenditures used to qualify for this credit shall not be used to qualify for any other type of Kansas income tax credit.

Biofuel means fuel made from organic matter, including solid and liquid organic waste, but excluding fuel made from oil, natural gas, coal or lignite, or any product thereof.

Fuel terminal means a fuel storage and distribution facility which is supplied by motor vehicle, pipeline or marine vessel and from which motor fuels may be removed at a rack. "Fuel terminal" does not include any facility at which motor fuel blend stocks and additives are used in the manufacture of products other than motor fuels and from which no motor fuels are removed.

Qualified investment means expenditures made for purchase, construction or installation of storage and blending equipment.

Refinery means an industrial process plant, located in this state, where crude oil is processed and refined into petroleum products.

Storage and blending equipment means any equipment which is used for storing and blending petroleum-based fuel and biodiesel, ethanol or other biofuel and is installed at a fuel terminal, refinery or biofuel production plant. "Storage and blending equipment" does not include equipment used only for denaturing ethyl alcohol.

SPECIFIC LINE INSTRUCTIONS

Enter all requested information at the top of this schedule.

PART A – COMPUTATION OF CREDIT

(To be completed only in the first year that this credit is claimed)

LINE 1 – Enter the total qualified investment up to and including the first \$10,000,000 in storage and blending equipment installed at a fuel terminal, refinery or biofuel production plant.

LINE 2 – The credit is limited to 10% of the first \$10,000,000 of "qualified investment".

LINE 3 – Credit limit on the qualified investment for the first \$10,000,000. Multiply line 1 by line 2, and enter the result.

LINE 4 – Enter the total qualified investment which exceeds the first \$10,000,000 of investment made in storage and blending equipment installed at a fuel terminal, refinery or biofuel production plant.

LINE 5 – The credit is limited to 5% of the qualified investment that exceeds \$10,000,000.

LINE 6 – Credit limit on the qualified investment that exceeds \$10,000,000. Multiply line 4 by line 5, and enter the result.

LINE 7 – Credit limit on the total qualified investment. Add line 3 and line 6, and enter the result.

LINE 8 – Authorized credit percentage. This credit may be claimed in ten (10) equal annual installments.

LINE 9 – Total credit allowed to be claimed this tax year. Multiply line 7 by line 8, and enter the result.

LINE 10 – **Partners, shareholders or members:** Enter the percentage that represents your proportionate share in the partnership, S corporation, LLC or LLP. **All other taxpayers:** Enter 100%.

LINE 11 – Your share of the credit. Multiply line 9 by line 10, and enter the result.

PART B – COMPUTATION OF TOTAL CREDIT CLAIMED THIS YEAR

Indicate, by checking the appropriate box, which year of the annual installments for which this credit is being claimed.

LINE 12 – Enter the amount from line 11, Schedule K-82 from the first year in which this credit was claimed.

LINE 13 – Enter the amount of available carry forward credit from the prior year's Schedule K-82.

LINE 14 a – Add lines 12 and 13 and enter the result.

LINE 14b—Multiply the amount on line 14a by 90% (.90) and enter the result.

LINE 15a – Enter your total Kansas tax liability for this tax year. If you are filing more than one (1) credit schedule this year, enter only the amount of tax liability you wish to apply to this credit. The amount entered on line 15a (not line 15b) is the amount of tax liability considered to be "used" when calculating the remaining tax liability to be applied against other credits. **Example:** If your tax liability is \$1,000 (before applying the 90% reduction) and the amount entered on line 15a is \$400, then the amount of tax liability available to apply to any other credit schedules would be \$600.

LINE 15b—Multiply the amount on line 15a by 90% (.90) and enter the result.

LINE 16 – Enter the lesser of lines 14b or 15b. This is the amount of credit allowed for this tax year. Enter this amount on the appropriate line of Form K-40, Form K-41 or Form K-120.

If line 15a is less than line 14a, complete PART C.

PART C – COMPUTATION OF CARRY FORWARD CREDIT

LINE 17 – Subtract line 15a from line 14a. This is the amount of credit to carry forward to next year's Schedule K-82.



IMPORTANT: Do not send any enclosures with this schedule. A copy of the approved authorization from the Kansas Secretary of Commerce must be kept with your records. The Kansas Department of Revenue reserves the right to request additional information as necessary.

TAXPAYER ASSISTANCE

Direct any questions about qualifying for this credit to:

Kansas Department of Commerce
1000 SW Jackson, Suite 100
Topeka, KS 66612-1354
Phone: (785) 296-3481
<http://kdoch.state.ks.us>

For assistance in completing this schedule contact the Kansas Department of Revenue:

Taxpayer Assistance Center
Docking State Office Building, 1st Floor
915 SW Harrison St.
Topeka, KS 66625-2007
Phone: (785) 368-8222
Hearing Impaired TTY: (785) 296-6461
Fax: (785) 291-3614

Additional copies of this income tax credit schedule and other tax forms are available from our web site at www.ksrevenue.org.